

CHAPTER ONE

1.1 Background of the study

It should be acknowledge that management's primary responsibility is to earn profit, it is undoubtedly believed that there are other responsibilities which must be undertaken. This particular time in the cash of a public limited company which not only serve the public but also relied on public finance.

Meanwhile, this is not to say that immediate profit should be the consideration (Ibekwe, 1984) the importance of social responsibility. In the growth, survival and addictiveness of an organization cannot be over emphasized.

Ibekwe (1984) emphasized that a right denied the customer in the course of seeking immediate profit could result in loss of product corporate image of the business in the present day of highly competitive market of branding goods, a bad image could be very seriously affected.

At the point, it is necessary to note that some management decision in areas of social responsibility can be formed by labour union, government legislation or interest group or voluntary responses to social needs or a combination of all, for example, quality of goods are monitored by federal environment protection and gasoline monitored by directorate of petroleum resources (D.P.R), all these are some social responsibility functions resulting from government legislation.

It is vital to mention here that not all business have profit motivate, some business particularly the statutory, corporations before privatization and commercialization decree emerged merely concerned with rent even some services to the publicity. The commercial service of Nigeria Television Authority (NTA), for instance, seems interlay concerned with providing time to the business public not profit purpose (i.e before it was commercialized) but for promotion of business activities in the country. Although, money

charged is not with a view to make profit but merely to argument available funds for running the station. Another example is National Electronic Power Authority (NEPA) whose concern is to ensure that the message enjoy the benefits of electricity.

However, Knootz and O. Donnel (1983): refers to social responsibility as idea that is appropriate and desirable for business to consider and work with, as it pursues it's economic goals in other words the success of a business is contingent on balancing the social responsibility with basic economic and social goals.

Nigeria business organization are not exception, they must respond appropriately to the basic economic as well as social constrains imposed by the environment.

1.2 Statements of the research problem

Nigeria business firms perceive and yield to social responsibility in different ways. Some firms believe that a mere contribution to social course like development and programme in their environment is social responsibility, while some hold the believe that minimization of social costs like urbanization, pollution and abiding to business ethic code of conducts are all that are needed to be socially responsible.

1.3 Research questions

The following research questions will be addressed during the course of this study.

- To what extent would social responsibility have impact on the firm?
- Does social responsibility increase the consumers patronage?
- To what extent would social responsibility affect the profit of firm?

1.4 Objectives of the study

The impact of social responsibility of first bank Nigeria other objectives are:-

- i. Examine impact of social responsibilities on organization.
- ii. Evaluate how social responsibilities increase consumer patronage.
- iii. Access how social responsibilities affect profit level of an organization.

1.5 Research hypothesis

In this study, the following hypothesis will be considered as the position underlying the study.

H0: There is no significant relationship between social responsibility and the growth of the firms

H1: There is significant relationship between social responsibility and the growth of the firms

H0: There is no relationship between social responsibility and consumer patronage

H1: There is relationship between social responsibility and consumer patronage

H0: There is no significant different between social responsibility and consumer patronage

H1: There is significant different between social responsibility and consumer Patronage

1.6 Significance of the study

Empirically, the study shall be useful to government, firms and individuals in taking inferences in relation to social responsibility of the results of this can be foundation upon which researchers could emerged.

1.7 Scope of the study

The study will cover such issues as educational responsibility, health and recreational responsibility of Nigeria Bottling company plc, Ilorin.

In the course of research work on the social responsibility of first bank plc is not an exception.

The limitation that inhibited this study is basically respondents (as most of them do not have the time of attend to me or answer my questionnaire online). Also the researcher is faced with financial constraints to carryout and collected relevant data, far and near, more so, the final typing and branding of the project need a lot of money due to the depressing economics of this country.

However, this does not affect the validity of our findings, instead conclusions arrived at well be generalized and extend even to other similar organization with little or no modification.

1.8 Definition of terms

In a study like this, it is significant to clarify conceptually the key term used so that better understanding of this topic would be achieved. Some of these are:

Corporate image: According to Cutler (1988). Corporate image refers to intangible possession that enable a business to continue to earn profit in excess of the normal or basic rate of profit earned by the other business of the similar type.

Consumerism: Kotler in his book, marketing management analyze, planning and control 4th edition (1980) say consumerism is an organized movement of concerned citizens and government at enhance the rights and power of buying in relation to seller.

Ethnics: The advanced learners dictionary special price edition (1998) defines ethnics as a moral principles that governor influence a person's behavior.

Profitability: According to Olatunde (1999) defines profitability as the performance of a firms in terms of returns realized from the operations.

Social responsibility: Owomoyela (2001) says social responsibility is a concept that seeks to promote the overall welfare of the society by focusing the attention of business organization on social obligations and social objectives.

Social cost: Ahukannah et al commerce for secondary school (1989) says social costs is the amount earn market by an organization for social responsibility programmes

Customer patronage: According to Shubrin (1984) in his book business management defines customer patronage as the customers supports to the organization in terms of buying and selling.

Conglomerate: Owomoyela (2001) defines conglomerate as a business group of firms of different kinds.

Shareholders: According to Pengium International Dictionary of financial (1995) says shareholders are the owners of share in a company.

Philanthropist: According to Pengium International Dictionary of financial (1995) says philanthropist gives money to help others.

Social welfare: Henson (1979) defines social welfare as the concerns to the way of life and arrangement made to take good care of people and conduction's.

Social science: This is the study of people in the society of life and welfare of people in a community (the Punch: April 28th 2002).